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DMOs: SURVIVING THE SMART TOURISM ECOSYSTEM¹

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Introduction and brief literature review

Tourist destinations in many regions of the world are progressively evolving towards new dynamics based on ICTs and big data as a framework for a smarter management (Ivars-Baidal, Celdrán-Bernabeu, Mazón, & Perles-Ivars, 2017). Still, destinations are just a ‘piece’ in the complex puzzle of the smart tourism ecosystem (STE) and face great challenges due to disruptive forces and recently emerged players in the system, such as sharing economy platforms or online travel agencies (Gretzel, Werthner, Koo, & Lamsfus, 2015). In this context, a STE is understood as “a tourism system that takes advantage of smart technology in creating, managing and delivering intelligent touristic services/experiences and is characterized by intensive information sharing and value co-creation. Collecting, processing and exchanging tourism-relevant data is a core function within the STE” (Gretzel et al., 2015, p.560).

Hence, Destination Management Organisations (DMOs) as the main entities leading destinations in their smart transformation, experience rapid changes in their functions and role because of new business models and technology-induced tourist behaviour transformation (Femenia-Serra, Neuhofer, & Ivars-Baidal, 2019) in the data-driven STE. Recent research acknowledges a critical shift in how DMOs fit within this volatile scenario and the manifold difficulties they currently face (Dredge, 2016; Hall & Veer, 2016). Nonetheless, little empirical evidence exists about DMOs perception of smart tourism impact on their position. In this paper, it is the objective to understand to what extent smart tourism irruption has transformed DMOs role, destinations management, and how they are adapting to it, by giving the floor to DMOs to express their view on these issues. This research was conducted in the Spanish region of Comunitat Valenciana, a relevant and massively visited destination in which both autonomous government and numerous municipalities have embraced adaptation to smart tourism as a policy priority.

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Methods

Three different meetings were organised in the three provinces of the region during May 2018 with 34 DMOs representatives, including the most relevant destinations in terms of overnights. The workshops were planned to have two parts. First, drawing on literature review, an exploratory online questionnaire was administered to DMO representatives (managers or employees). The objective of this first stage was to gain a richer understanding of how DMOs perceive the impact of smart tourism on their activities and role in the destination. Questionnaires were based on Likert scales and were conducted using Qualtrics© software. Second, facilitators elicited a group discussion on smart tourism ecosystem various dimensions, including: technological solutions for management and destination marketing, information systems, big data analysis, smart destination certification and measurement, technologies for sustainable tourism, accessibility and innovation. After group discussions, lasting between 2 and 3 hours in each meeting, questionnaire results were shown to participants through quick visualisation tools to provoke further comments and identify commonly agreed key issues for DMOs in the STE. Questionnaires were completed before discussions to prevent possible influence of others on response, and as a way to elicit prior reflection among participants.

Results

Findings show a high agreement on the elevated impact STE has on destinations management, with DMOs recognising it as a challenge but also an opportunity to advance their performance. DMOs firmly defend the necessity to have solid organisations that lead the adaptation process but lament the lack of financial, technical and human resources to properly develop new functions adapted to current needs and competition. While technological solutions are regarded as useful, managers consider they increase dependency on external agents, such as tech companies, and raise questions about data ownership. Additionally, DMOs believe the STE fosters innovation, facilitates the creation of startups and personalisation of experiences. However, they defend the importance of developing strategic planning and inter-stakeholder interaction management as vital functions in the STE, leaving branding, product development and information provision in a lower level among their priorities. A recurring topic pointed by participants was the need to adapt to STE, for which three key requirements were remarked: 1) Strong leadership in destination and creation of a realistic smart destination project; 2) Wider coordination among different municipal departments (tourism, urbanism, culture, environment, etc.); 3) Formation programmes for DMOs and other practitioners to develop new capabilities. Furthermore, participants emphasise the hurdle the high number of SMEs means for adaptation to STE and the existing generational gap among tourists with respect to ICTs use. Finally, managers stress their lack of control over the vast amount of UGC on the internet and how it deeply affects not only destination image but also intra-destination tourist flows.

Conclusion and relevance

This research brings to light DMOs standpoint about the irruption of smart tourism. Results illustrate how manifold changes are affecting these organisations functions and role by showing their own perspective on the topic. Results confirm STE is a challenge for DMOs and that new dependences are being created. However, destination managers also perceive smart tourism as an opportunity to reclaim their position and defend the relevance of their actions. These findings contribute to acknowledge the need to involve DMOs in STE understanding and are useful for academia but also for practitioners in the identification and solution of their problems.

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